REMARKS/ARGUMENTS

In the Office Action mailed March 29, 2005, claims 1-20 were rejected under 35 U.S.C. 102(a) or (e) over U.S. Publication No. 2003/0174823 to *Justice et al.* Withdrawal of the rejection is respectfully requested in light of the amendment to the independent claims in the application.

Claim 1 is amended to recite "the second analysis engine is operable to determine a transaction velocity from the first and second transaction information, and stalling the second transaction when the transaction velocity exceeds a velocity threshold." Claim 6 is amended to recite the steps of "calculating a transaction velocity based on the transaction information, and the first and second suspicious activity indication in the global negative file; and providing a response, wherein the response indicates whether the current transaction exceeds a velocity threshold." Claim 16 is amended to recite the cross monitor assembles "information from the first load monitor or first enrollment monitor, and the second load monitor or second enrollment monitor" and "is operable to determine a transaction velocity for the transaction using the information, and communicate the transaction velocity to both the first issuer and the second issuer." The amendment also cancels claims 3 and 7, and adds new claim 21. Support for the amendment can be found in the Specification, pages 10–11, paragraphs 0036–0039, and no new matter is believed added by the amendment. Claims 1–2, 4–6, and 8–21 are now pending in the application. Reconsideration and withdrawal of the rejection of the claims is respectfully in light of the amendment, and the remarks that follow.

I.   The Rejection of Claim 1–20 under § 102(a) or (e) over Justice is Addressed

The rejection of claims 1–20 under 35 U.S.C. § 102 (a) or (e) over *Justice* is respectfully traversed in light of the amendment to independent claims 1, 6 and 16. These claims are amended to include the determination of a transaction velocity based on information about transactions associated with stored value products issued by <u>different issuers</u>. This addresses troubling tactic increasingly used by identity thieves to procure several different stored value products using an individual's stolen identity information. The thieves have learned that they

draw less attention by conducting smaller transactions with stored value products from different issuers, instead of making larger or more frequent transactions with the products of a single issuer. They recognize that different issuers of stored value products do not efficiently communicate suspicious activity between each other, allowing the thieves more opportunity to conduct fraudulent transactions by spreading purchases over multiple issuers.

The systems and methods of the invention include facilitating cross communication between different issuers of stored value products so that fraudulent transactions can be recognized and stopped more quickly. The cross communication enables a transaction velocity to be determined across stored value products issued to a user by multiple different issuers. For example, a transaction velocity may be determined for the total number of transactions, dollar amount of transactions, *etc.*, over a given period of time for the stored value cards from multiple issuers that are associated with a user. *See* Specification, page 10, paragraph 0036. If the transaction velocity exceeds a preset transaction threshold, then a current transaction with one of the products can be stalled, and/or merchants, vendors, issuers, *etc.* can be alerted to this fact.

In contrast, the invention described in *Justice* does not describe or suggest systems and methods for determining a transaction velocity based on transactions with stored value products from different issuers. While *Justice* describes several fraud indicators, including whether the frequency of transactions exceeds a predetermined threshold, the indicators are limited to assessing risk and detecting fraud in the one account associated with the immediate transaction. *See Justice*, page 5, paragraph 0066. There is no teaching or suggestion that information associated with more than one account from different issuers be used to determine whether the frequency of transactions exceeds a predetermined threshold. Because *Justice* does not assess the risk level of a current transaction by using fraud indicators that draw on information from two or more accounts associated with different issuers, the system is less effective at detecting the type of stored value product fraud described above.

Since *Justice* neither teaches nor suggests a determination of a transaction velocity based on information about transactions associated with stored value products issued by
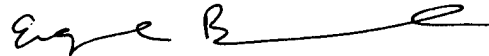
Appl. No. 10/690,394
Amdt. dated June 29, 2005
Reply to Office Action of March 29, 2005

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different issuers, amended claims 1, 6, and 16 are allowable over the reference. For at least the same reasons, claims 2–5, 7–15, and 17–21, which depend from claims 1, 6, and 16, respectively, are also allowable over Justice. Accordingly, withdrawal of the rejection of claims 1–20 under § 102(a) or (e) over *Justice* is respectfully requested.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

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